#### May 2014



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# **WA State FSA Updates**

#### **WA State FSA Office**

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Phone: 509-323-3000 Fax: 855-843-1172

**State Executive Director:** Judy Olson

Farm Programs Chief: Rod Hamilton

Farm Loan Chief: Mike Mykines

Next State Committee
Meeting: May 13 at 1:00 pm

# **Livestock Disaster Payment Rates Announced**

Click <u>here</u> to see payment rates for the Livestock Forage Program (LFP), Livestock Indemnity Program (LIP), and honeybee assistance through the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). The list also includes ELAP assistance for water transportation.

More information for ELAP assistance for farm-raised fish and livestock assistance can be found <a href="here">here</a> and <a href="here">here</a>.

# Making Comments on Proposed Rules from the 2014 Farm Bill

FSA will publish proposed rules about the 2014 Farm Bill in the Federal Register. To receive information about comment periods and how to submit comments, subscribe to the Federal Register Table of Contents LISTSERV electronic mailing list. Go to <a href="http://listserv.access.gpo.gov">http://listserv.access.gpo.gov</a> and select online mailing list archives, FEDREGTOC-L. Join or leave the list (or change

### **CRP Updates**

FSA still does not have an update on a CRP signup for this summer. When more information is made available about either a signup or options for expiring contract-holders, that news will be provided via FSA GovDelivery electronic newsletter or bulletin.

#### **Primary Nesting Season**

The primary nesting season for Washington is April 1 through July 1. During this time period, prior approval of the County Committee is required to spot treat weeds by mowing, burning, or spraying after the stand is established. Treatment must be limited to areas that have weed problems. Treatment of entire fields for cosmetic purposes is not allowed.

Outside the nesting period, you are allowed to control weeds without any prior approval from FSA provided the methods do not significantly damage the stand or stand diversity.

Weed control is a must on CRP land. While prior approval may be required during certain times, FSA will grant it for any legitimate weed problems. Also, activities such as harrowing or chopping of dried up mustards and Russian thistle after the nesting period has ended can keep these weeds from getting on your neighbors' property. These activities help maintain grass vigor and ensure that a viable cover for the entire contract period. Some existing stands will be old by the time the contract expires, so helping them to maintain vigor and generating new growth periodically is time well spent.

For stands that have been newly planted or are in the first 1-2 years after seeding, weed control during the nesting season is permitted without prior FSA approval. Weed control when the stand is young is important for successful establishment. Weed control that does not maintain the required stand diversity is not permitted.

Failure to control weeds on CRP can result in payment reductions and even contract termination. CRP contracts may be revised mid-contract to add certain maintenance practices to maintain stand vigor and diversity. Fifty percent cost-sharing is available if these activities are included in the conservation plan and approved by FSA before work begins. Examples of practices include: mowing, herbicide application and fertilization.

#### Early termination for fall planting

Producers with CRP in the last year of the contract can begin preparation for returning the land to production under the following criteria.

For land that will be planted to a fall-seeded crop this fall, seedbed preparation can begin July 1 with no payment reductions, or anytime May 1 to July 1 with a prorated loss of CRP payments for each day the cover is destroyed prior to July 1. For example, if the cover was destroyed May 1, payment will be lost for May 1-July 1. Cover destruction after these dates can be by any means provided the producer complies with highly erodible land conservation requirements, if applicable.

For land that will be planted to a spring-seeded crop next year, herbicides may be applied to destroy the CRP cover starting July 2. Mowing prior to spraying, but after July 2, is permitted. No other forms of cover destruction are permitted. No CRP payment reductions will be applied.

Prior FSA approval of any cover destruction is required. Click <u>here</u> for the local office contact information before starting to destroy CRP cover.

#### 2012 SURE Sign-up Announced

The Supplemental Revenue Assistance Payments Program (SURE) has been authorized for 2012 crop year losses that occurred due to an eligible weather event on or before September 30, 2011. The final signup dates have not been announced yet, but is anticipated to begin in May and run through August.

To qualify for SURE, farmers and ranchers must have:

- crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage on all crops of
  economic significance. Socially disadvantaged, limited resource, or beginning farmers and ranchers are
  exempt from the insurance linkage requirement.;
- crop insurance or NAP coverage that attached to a qualifying crop on or before September 30, 2011;
- the qualifying crop must have a final planting date, according to RMA and FSA, that occurred on or before September 30, 2011;
- a 10 percent loss on a crop of economic significance from a disaster in a county that received a Secretarial Disaster Designation (only Asotin and Whitman qualified for this in 2012); or
- a 50 percent loss on a crop of economic significance from a disaster event in counties without a Secretarial Disaster Designation.

More information can be found <u>here</u>, and producers are also encouraged to notify their <u>county office</u> to apply for 2012 SURE.

# Loan Funds Allocated for Minorities, Women, Beginning Farmers and Veterans

A portion of FSA loan funds is specifically set aside for minority, women, beginning farmers and ranchers and veterans. Loan funds can be used to purchase farms, livestock and equipment. They may also be used to operate the farm, build or repair farm buildings, pay for soil and water conservation practices, and in some cases refinance debts. FSA offers both direct and guaranteed loans.

For direct loans made by FSA to purchase a farm, the terms may extend to 40 years. Special down payment programs are available for participation with a commercial lender. For rates, terms and down payment requirements, click <a href="here">here</a>. Direct operating loans may be made for one to seven years.

Guaranteed loans are made by banks or other lenders for which FSA guarantees up to 90 percent of any loss. The guaranteed loan program includes both operating and real estate loan programs.

## 2013 ACRE Production Reporting Requirement

Producers who participated in the 2013 ACRE program are reminded that as a condition of eligibility for payment, either the operator, owner, or producer with a share of the crop must submit production reports. Production reports are needed for all 2013 ACRE program commodities for which an acreage report greater than zero was submitted. The deadline for submitting production reports is July 15, 2014.

Production reports are submitted on form <u>FSA-658</u> by commodity and are reported by farm and by tract to calculate the farm average yield. Farmers and ranchers may certify their production information so actual production sheets are not required. Remember, all production certifications are subject to spot check for a three-year period.

Failure to timely complete production reports (<u>FSA-658</u>) will result in a request for refund of all Direct and ACRE program payments issued for the farm's 2013 ACRE Program participation. Contact the local county office for

## Commodity Loans Available Through June 2, 2014

Commodity loans are a nine-month marketing tool which can provide an influx of cash for operating expenses, using the crop as collateral. This enables the producer to store a crop in an approved farm or warehouse structure for later marketing. Loans are available to eligible producers who share in the risk of producing the crop and retain beneficial interest in the crop through the duration of the loan.

The deadline to obtain a commodity loan for 2013 crop of corn, dry peas, grain sorghum, large and small chickpeas, lentils, mustard seed, safflower seed, soybeans and sunflower seed is June 2, 2014.

Contact the <u>county office</u> to request a crop loan, or for more information.

### **Acreage Reporting Reminder**

Filing an accurate and timely acreage report for all crops and land uses can prevent loss of benefits from FSA programs.

Producers of spring seeded crops should begin to prepare now to provide their certifications. Orchardists and growers of fall seeded crops should have already provided acreage certifications to their local FSA office. Any additional plantings or replantings of those fall crops will require an updated acreage report. FSA does not accept reports of acreage prior to the crop being planted.

Producers who suffer losses or who are prevented from planting a crop must also document such losses timely. Each notice of loss must include a report of acreage. To receive FSA credit for failed crops, a notice of loss must be filed before disposition of the failed crop. Acreages which cannot be planted timely must be reported no later than 15 calendar days after the final plant date for the crop being attempted.

To be considered timely filed and to prevent incurring unnecessary fees, all crops and land uses must be reported by the earlier of: the onset of harvesting or grazing of the crop, or July 15. Producers with only CRP acreage to report must also do so before July 15.

Forage and grazing producers should make note of this requirement as it is a major change. Acreage reports should be provided before the first cutting if it will occur prior to July 15. Grazing producers who will be turning out prior to July 15, should report those acres prior to grazing commencing.

Even if the reporting date is missed, FSA encourages producers to work with their local county office. FSA has provisions which allow producers to file late and maintain program eligibility. Click <a href="here">here</a> for the local office contact information to make an acreage reporting appointment.

## **Down-Payment Loan Program**

FSA has a special loan program to assist socially disadvantaged and beginning farmers in purchasing a farm. Retiring farmers may use this program to transfer their land to future generations.

To qualify:

- the applicant must make a cash down payment of at least five percent of the purchase price;
- the maximum loan amount does not exceed 45 percent of the least of: (a) the purchase price of the farm to be acquired; (b) the appraised value of the farm to be acquired; or (c) \$667,000. This results in a

- maximum loan amount of \$300,000;
- the term of the loan is 20 years. The interest rate is four percent below the direct Farm Ownership rate, but not lower than 1.5 percent;
- the remaining balance may be obtained from a commercial lender or private party. FSA can provide up to a 95-percent guarantee if financing is obtained from a commercial lender. Participating lenders do not have to pay a guarantee fee; and
- financing from participating lenders must have am amortization period of at least 30 years and cannot have a balloon payment due within the first 20 years of the loan.

### Soybean Request for Referendum

The Soybean Promotion, Research and Consumer Information Act requires the Secretary of Agriculture to conduct a Request for Referendum every 5 years after the initial referendum, which was conducted in 1994. The last Request for Referendum was conducted in 2009. Soybean producers who are interested in having a referendum to determine whether to continue the Soybean Checkoff Program are invited to participate.

The Request for Referendum will be conducted at FSA offices. To be eligible to participate, producers must certify and provide documentation that shows that they produced soybeans and paid an assessment on the soybeans during the period of Jan. 1, 2012, through Dec. 31, 2013.

Beginning May 5 and continuing through May 30, 2014, producers may obtain a form by mail, fax, or in person from the FSA county offices. Forms and more information can be found <a href="https://example.com/here">here.</a>. Completed forms and supporting documentation must be returned to the appropriate county FSA office by fax or in person no later than close of business May 30, 2014; or if returned by mail, must be postmarked by midnight May 30, 2014, and received in the county FSA office by close of business on June 5, 2014.

### **Spot-Check Agreement with the Risk Management Agency**

The Agriculture Risk Protection Act as enacted by Congress in 2000 required the Risk Management Agency (RMA) to improve program compliance and integrity of the Federal Crop Insurance program. FSA will be assisting RMA and Insurance Providers in monitoring crop conditions throughout the growing season. RMA has provided FSA with a list of insured producers who have been selected for review. These reviews consist of two separate field visits during the growing season and includes the gathering of information to document your farming practices. Photos along with GPS points documenting the field visits will be forwarded to RMA. FSA is also required to refer all suspected cases of fraud, waste and abuse about the Federal Crop Insurance Program to RMA. Producers may also report suspected cases to their county office, RMA or the Office of Inspector General. FSA will provide producer information to RMA to assist in claim audits, inspections and reviews.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).